

General Alex Bolling phoned Deputy Director on 30 April and asked if it was all right not to answer Memo for ID dtd 20 Apr. He said they admit they "loused it up and didn't do it right at all". He said they had set up a new system and the mistake will not be repeated. General Wright agreed no answer to memo was necessary.

J.G.

SECRET

Army review(s) completed.

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WAR DEPARTMENT
 WAR DEPARTMENT GENERAL STAFF
 INTELLIGENCE DIVISION
 WASHINGTON 25, D. C.

185258

CGSID 092

14 Apr 1948

MEMORANDUM FOR THE ACTING CHIEF, ESTIMATES GROUP, ONE, CENTRAL
 INTELLIGENCE AGENCY

SUBJECT: The Current Situation in the Free Territory of Trieste
 (ONE 23-48)

The Intelligence Division desires that the following dissent
 be published with the paper:

"The Intelligence Division, Department of the Army dissents
 with the paper as written. The assumption is implicit throughout
 the text, and partly expressed on page 1, that the whole interna-
 tional dispute over Trieste has been and is a question only of prestige
 between East and West. The intrinsic importance of Trieste as a
 strategic military asset to its possessor is ignored.

This division believes that, while the strategic importance of
 the Trieste area should not be overemphasized, it must, nevertheless,
 be taken into account as a material factor in the struggle between
 East and West for control of the area. In any Soviet-Yugoslav mili-
 tary operation into northern Italy, advance use of the excellent port
 facilities and superior communications with the Danubian valley
 afforded by physical possession of the city of Trieste, together with
 the terrain advantages, would make it possible to assemble a large
 force with good logistic support as well as to make naval preparations
 in the Adriatic to a much greater extent than would be possible with
 the present demarkation line or the present frontier. These advan-
 tages would enable the Eastern bloc to accelerate its overrunning of
 northern Italy and its eventual control of the entire Italian penin-
 sula, to the detriment of any planned counteraction by the western
 countries.

Short of war, possession of Trieste would give the Eastern bloc
 an opportunity to intensify pressure on Italy in the same proportion
 as the enhanced military capabilities described above."

/s/

CARTER W. CLARKE
 Carter W. Clarke
 Colonel, G.S.C.
 Director of Intelligence

Q S S I S O D M A P